UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/714,857	11/16/2000	William L. Jansen	44439.1.8.1	5894

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EXAMINER
MYHRE, JAMES W

ART UNIT	PAPER NUMBER
3622	

DATE MAILED: 07/20/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

	Application No.	Applicant(s)
Office Action Summary	09/714,857	JANSEN ET AL.
	Examiner	Art Unit
	James W. Myhre	3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *17 May 2005*.

2a)☒ This action is **FINAL**.   2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-3,7,8,14-18, 20 and 22-32* is/are pending in the application.

　　4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-3,7,8,14-18,20 and 22-32* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

　　Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

　　Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

　　a)☐ All b)☐ Some * c)☐ None of:

　　　1.☐ Certified copies of the priority documents have been received.

　　　2.☐ Certified copies of the priority documents have been received in Application No. _____.

　　　3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

　　* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☐ Notice of References Cited (PTO-892)
2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3)☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
　　Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413)
　　Paper No(s)/Mail Date. _____.
5)☐ Notice of Informal Patent Application (PTO-152)
6)☐ Other: _____.

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1.   A request for continued examination under 37 CFR 1.114, including the fee set

forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this

application is eligible for continued examination under 37 CFR 1.114, and the fee set

forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action

has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on May 17,

2005 has been entered.

Response to Amendment

2.   The amendment filed on May 17, 2005 has been considered but is ineffective to

overcome the <u>Postrel</u> (6,594,640) reference. The amendment did not cancel or add any

claims, but amended Claims 3, 7, 14, 16, 18, 20, and 23-32. The currently pending

claims considered below are Claims 1-3, 7, 8, 14-18, 20, and 22-32.

Claim Objections

3.   The amendment filed on May 17, 2005 corrected the minor deficiencies in Claim

26 and Claims 27-32 as objected to in paragraphs 3 and 4 of the December 22, 2004

Office Action. Therefore, the Examiner hereby withdraws those objections.

4.   Claim 14 is objected to because of the following informalities: the May 17, 2005

amendment changed the word "user's" to "users' ". The Examiner notes that the

original word (user's) is the possessive form of a single user and that the newly entered

word (users') is the possessive form of a plurality of users. The Examiner has reread

the claim and believes the Applicant's intended meaning of the claim is that the current

status of a person's system-wide credits is going to be displayed to that person. If so,

then the previous word was correct. Appropriate correction is required.

Claim Rejections - 35 USC §102

5.   The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless -
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

6.   Claims 1-3, 7, 8, 14-18, 20, and 22-32 are rejected under 35 U.S.C. 102(b) as

being anticipated by Postrel (6,594,640).

      Claim 1: Postrel discloses a method for tracking and converting loyalty points

from a plurality of loyalty programs to system-wide common credits, comprising:

            a. Obtaining the number of loyalty program award points awarded to a

user under a plurality of loyalty programs (col 1, lines 14-29 and col 3, lines 30-40 and

58-60);

b. Converting the user's award points from the plurality of loyalty

programs into a system-wide common credit (col 3, lines 30-40; col 9, lines 10-12; and

col 10, lines 18-20);

c. Providing access to a retailer that provides discounts based on the

common credit (col 7, lines 1-41);

d. Calculating the discount off the price of a selected product or service

offered by the retailer (col 7, lines 1-41); and

e. Applying the discount to the price of the product or service purchased

by the user (col 7, lines 1-41).

Claim 2: Postrel discloses a method for tracking and converting loyalty points as

in Claim 1 above, and further discloses obtaining information about the loyalty programs

prior to obtaining the award points (col 7, line 42 – col 8, line 3).

Claim 3: Postrel discloses a method for tracking and converting loyalty points as

in Claim 2 above, and further discloses that the information is obtained includes the

number of loyalty points awarded to the user by that loyalty program (col 6, lines 1-52).

Claim 7: Postrel discloses a method for tracking and converting loyalty points as

in Claim 3 above, and further discloses providing the payment information to the retailer

to complete the purchase (col 6, lines 1-52 and col 7, lines 25-41).

Claim 8: Postrel discloses a method for tracking and converting loyalty points as

in Claim 1 above, and further discloses updating the user's credit balance after the

purchase of the product or service (col 6, lines 1-52 and col 7, lines 25-41).

Claim 14: Postrel discloses a method for tracking and converting loyalty points as in Claim 1 above, and further discloses displaying the current status of the user's credits to the user (col 8, line 65 – col 9, line 1).

Claim 15: Postrel discloses a method for tracking and converting loyalty points as in Claim 1 above, and further discloses updating the award points in the plurality of loyalty programs (col 7, lines 25-41).

Claim 16: Postrel discloses a method for tracking and converting loyalty points as in Claim 15 above, and further discloses updating the award points as a batch communication with the remote server in that all of the accounts will be updated at the same time (col 7, lines 25-41).

Claim 17: Postrel discloses a method for tracking and converting loyalty points as in Claim 16 above, and further discloses verifying (confirming) the award points (col 7, lines 14-19).

Claim 18: Postrel discloses a method for tracking and converting loyalty points as in Claim 1 above, and further discloses providing information about products or services for sale to the user via communication with the retailer (col 7, lines 1-10).

Claim 20: Postrel discloses a method for tracking and converting loyalty points as in Claim 1 above, and further discloses that the user registers on-line (col 6, lines 10-12 and col 8, lines 4-26).

Claim 22: <u>Postrel</u> discloses a method for tracking and converting loyalty points as in Claim 1 above, and further discloses converting the award points into a proportionate number of system-wide credits (conversion rate)(col 9, lines 9-12 and col 10, lines 18-20).

Claim 23: <u>Postrel</u> discloses a system for tracking and converting loyalty points, comprising:

a. means for converting the user's award points issued by the plurality of loyalty programs into system-wide credits of common value (common credits)(col 3, lines 30-40; col 9, lines 10-12; and col 10, lines 18-20);

b. a credits database for storing the balance of the system-wide credits for each user (reward exchange account)(col 6, line 1-52);

c. an interactive communication link to a loyalty program to which the user has subscribed (Figure 5 and col 5, lines 3-60);

c. an interactive communication link to at least one vendor of a product or service (Figure 5 and col 5, lines 3-60); and

d. vendor terminals (merchant computers) for allowing the vendor access to the system-wide credit balances of the user during a transaction for redeeming the credits for an item (col 5, lines 3-60).

Claim 24: <u>Postrel</u> discloses a system for tracking and converting loyalty points as in Claim 23 above, and further discloses linking to a plurality of loyalty programs (col 5, lines 3-50).

Claim 25: <u>Postrel</u> discloses a system for tracking and converting loyalty points as in Claim 23 above, and further discloses linking to a plurality of products or services that the user may purchase (col 5, lines 3-50).

Claim 26: <u>Postrel</u> discloses a method for tracking and converting loyalty points as in Claim 1 above, and further discloses enabling the user to receive loyalty points from a selected loyalty programs (col 7, lines 45-61).

Claim 27: <u>Postrel</u> discloses a system for tracking and converting loyalty points as in Claim 23 above, and further discloses enabling the user to select the number of credit from each of the plurality of loyalty programs to redeem as common credits (col 7, line 1 – col 8, line 3).

Claim 28: <u>Postrel</u> discloses a system for tracking and converting loyalty points as in Claim 23 above, and further discloses the points for each of the plurality of loyalty programs being stored as separate files (databases) showing the current balance therein (col 7, line 1 – col 8, line 3).

Claim 29: <u>Postrel</u> discloses a system for tracking and converting loyalty points as in Claim 23 above, and further discloses the merchant is enabled to determine whether the transaction is eligible to be exchanged for the common credits (col 7, lines 1-41).

Claim 30: <u>Postrel</u> discloses a system for tracking and converting loyalty points as in Claim 23 above, and further discloses the vendor setting the value of the product in common credits (col 7, lines 1-41).

Claim 31: <u>Postrel</u> discloses a system for tracking and converting loyalty points

as in Claim 23 above, and further discloses one of the servers calculating the number of

common credits needed to achieve a desired discount for the user (col 7, lines 1-41).

Claim 32: <u>Postrel</u> discloses a system for tracking and converting loyalty points

as in Claim 23 above, and further discloses displaying to the user on a user terminal the

number of common credits needed to satisfy the transaction (col 8, line 65 – col 9, line

1).

Response to Arguments

7.   Applicant's arguments filed May 17, 2005 have been fully considered but they are

not persuasive.

a. The Applicant argues in reference to Claim 1 that the portions of the reference

cited by the Examiner do not specify any disclosure that "the first loyalty program award

points differing in value from the second loyalty program points", and that <u>Postrel</u> "is

silent as to any teaching of the recited system-wide credits" (page 10). Initially, the

Examiner notes that the citations listed in the Office Actions are merely exemplary

portions of the reference provided for the Applicant's convenience and not an all-

inclusive recitation of every disclosure of the claimed feature. It is the Applicant's

responsibility to read and understand the complete reference(s) applied to the claimed

invention. The rejection is based on what one of ordinary skill in the art would gather

from the entire reference, including both the cited and not cited portions of the

specification, drawings, claims, and abstract.

Furthermore, Postrel does disclose each user having a reward exchange account

into which points are transferred from any number of reward point accounts held by a

plurality of reward servers (e.g. merchants, airlines, credit card companies, etc.) and

that the reward points being transferred into the account could be "any earned value

that has a cash equivalent or negotiable worth as in frequent flyer point or mile" (col 6,

lines 37-40). Once the points have been transferred into the reward exchange account,

the user may "spend" (redeem) these 'system-wide credits' at any of the merchants,

airlines, credit card companies, etc. that are participating in the reward system (col 7,

lines 8-12). Each of the reward point providers can set their own "conversion rate", i.e.

the first loyalty points (from the first reward point provider) differs from the second

loyalty points (from the second reward point provider)(Figure 5, item 54 and col 8, lines

20-26).

As to the Applicant's argument that Postrel does not disclose "calculating the

discount off of the price of the product or service" (page 10), the Examiner notes that

Postrel discloses that the user can use the accumulated system-wide points to pay for

an item from one of the participating merchants, or can use a combination of points and

cash payment to pay for the item (i.e. get the product at a discount off the cash price for

the product or service)(col 10, lines 8-10 and 25-29).

b. The Applicant argues in reference to Claim 7 that Postrel does not disclose

"providing the payment information of the user to the one retailer" (page 11). The

Examiner notes that Postrel discloses that the retailer (reward server) receives the user

information from the trading server in order "to display the available points that may be

redeemed" (col 8, line 65 – col 9, line 1).

c. The Applicant argues in reference to Claim 9 that <u>Postrel</u> does not disclose

updating the balance of the user's system-wide credits after a purchase of a product or

service because <u>Postrel</u> does not disclose system-wide credits. This argument has

been answered in the response to Claim 1 above.

d. The Applicant argues in reference to Claim 14 that <u>Postrel</u> does not disclose

displaying the current status of the user's system-wide credits (page 12). This

argument has been answered in the response to Claim 7 above.

e. The Applicant argues in reference to Claim 16 that <u>Postrel</u> does not disclose

"updating the award points of at least one of the users...as a batch communication with

a remote server" (page 13). The Examiner notes that <u>Postrel</u> discloses the trading

server updating the files (accounts) at the reward servers "at the end of predefined

billing cycle (i.e. every month)" (col 6, lines 40-52). Thus, the trading server is using

batch communication with the remote server (reward servers) to update the award

points.

f. The Applicant argues in reference to Claim 17 that <u>Postrel</u> does not disclose

"verifying the award points of the user via communication with a remote server" (page

13). The Examiner notes that <u>Postrel</u> discloses such verification and communication

throughout his specification such as the confirmation step in which "the trader server

computer 20 would confirm that the user has sufficient points to purchase the selected

item" (col 7, lines 14-25).

g. The Applicant argues in reference to Claim 18 that <u>Postrel</u> does not disclose "providing the information regarding the products or services for sale to the user via communication with the one retailer of the product or services" (pages 13-14). The Examiner notes that <u>Postrel</u> explicitly discloses that the user would visit the merchant's website and "may identify one or many items to be acquired from the one or several merchants" (col 7, lines 1-10).

h. The Applicant argues in reference to Claim 22 that <u>Postrel</u> does not disclose "calculating from the user's award points in one of the first and second loyalty programs a proportionate number of system-wide credits" (page 14). The Examiner notes that this argument has been answered in the response to Claim 1 above. Each loyalty program has its own conversion rate, thus will represent a proportion of the overall system-wide credits in the user's reward exchange account.

i. The Applicant argues in reference to Claim 23 that <u>Postrel</u> does not disclose "converting the user's award points...into system-wide credits of a common value"; a credits database for storing the balance of the system-wide credits"; nor "a terminal for each of the plurality of vendors...to access at least one of the balances of system-wide credits" (page 15). These arguments have been answered in the response to Claim 1 above. <u>Postrel</u> discloses conversion rates for converting the user's award points from each merchant reward account into the common credits in the user's reward exchange account (i.e. credits database) and that the vendor terminal can be used to access the total balance of common credit available as discussed in the response to Claim 7 above.

j. The Applicant argues in reference to Claim 27 that <u>Postrel</u> does not disclose enabling the user "to select the number of system-wide credits from each of the royalty [loyalty] programs to redeem the items as selected by the user" (page 16). The Examiner notes that <u>Postrel</u> explicitly discloses the user designating the amount of points from each of a plurality of loyalty point accounts to be used in a purchase of an item (col 7, line 52 – col 8, line 3).

k. The Applicant argues in reference to Claim 29 that <u>Postrel</u> does not disclose that a "vendor is enabled to determine whether a user's transaction is eligible to be exchanged for the common credits" (page 17) (i.e. verify that there are enough accumulated points to complete the transaction). The Examiner notes that this argument has been answered in the response to Claim 17 above in that the trader server and the merchant server would confirm that the transaction is authorized and that enough points are available.

l. The Applicant argues in reference to Claim 30 that <u>Postrel</u> does not disclose that "the vendor is enabled to determine the number of system-wide credits" (page 17). The Examiner notes that this argument has been answered in the response to Claim 7 above. The vendor receives the amount of credits available and displays this information.

m. The Applicant argues in reference to Claim 31 that <u>Postrel</u> does not disclose that "the vendor is enabled to calculate the number of system-wide credits that are required to achieve a desired discount for the user" (page 18). The Examiner notes that <u>Postrel</u> discloses the merchants (vendors) using their own conversion rates to

determine the value of items in terms of the common credits. Thus, the merchant is calculating the number of credits that are required to achieve a desired discount for the user, whether it is a 100 percent discount (paid for with only credits) or some lesser discount (paid for with credit AND cash) as discussed in the response to Claim 1 above.

Conclusion

8.   All claims are drawn to the same invention claimed in the application prior to the entry of the submission under 37 CFR 1.114 and could have been finally rejected on the grounds and art of record in the next Office action if they had been entered in the application prior to entry under 37 CFR 1.114. Accordingly, **THIS ACTION IS MADE FINAL** even though it is a first action after the filing of a request for continued examination and the submission under 37 CFR 1.114. See MPEP § 706.07(b). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.
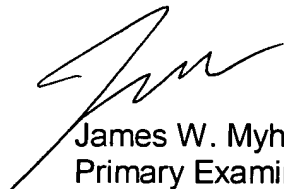
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (571) 272-6722. The examiner can normally be reached Monday through Thursday from 5:30 a.m. to 3:30 p.m.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber, can be reached on (571) 272-6724. The fax phone number for Formal or Official faxes to Technology Center 3600 is (571) 273-8300. Draft or Informal faxes, which will not be entered in the application, may be submitted directly to the examiner at (571) 273-6722.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group Receptionist whose telephone number is (571) 272-3600.

JWM
July 18, 2005

James W. Myhre
Primary Examiner
Art Unit 3622